



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

VIA E-MAIL ONLY

November 5, 2019

Mr. Karl Lirette, CEO
United Healthcare Community Plan
3838 N. Causeway Blvd., Suite 2600
Metairie, LA 70002

RE: Notice of Monetary Penalty – Pattern of Failure to Meet Deadlines

Dear Karl:

By Notice of Action dated October 21, 2019, United Healthcare Community Plan (UHC) was notified of its failure to meet deadlines in accordance with the terms of UHC's contract with the Louisiana Department of Health (LDH), which provides:

18.9.1 The MCO shall ensure that all required deliverable, which may include documents, manuals, files, plans and reports, as stated in this RFP, are submitted to LDH in a timely manner for review and approval. The MCO's failure to submit the deliverables as specified may result in the assessment of liquidated damages, as stated in the Contract Monitoring and Sanctions Sections of this RFP.

UHC was put on notice that monetary penalties would be assessed if UHC missed another deadline. Four additional deadlines have been missed, as outlined below:

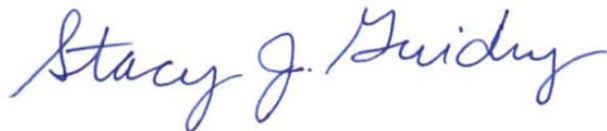
- On October 22, 2019, LDH requested that UHC confirm if their system aligned with Louisiana Medicaid Fee for Service billing instructions for Clinical Laboratory Improvement Amendments (CLIA) impacted services. The deadline to submit the information was October 29, 2019. UHC did not submit its response until October 30, 2019, after being reminded by LDH;
- On October 1, 2019, LDH requested that UHC submit all documents collected as part of claims processing for paid abortion claims in CY 2018 and to date in CY 2019. The deadline was October 16, 2019, but UHC did not submit a response until October 31, 2019;

- On October 11, 2019, LDH requested that UHC provide information related to member outreach. The deadline was October 21, 2019, but UHC did not submit the information until October 22, 2019, and it was not on the template provided by LDH; and
- On October 24, 2019, LDH requested that UHC provide additional information related to member outreach and provided a revised template. The deadline was October 28, 2019. UHC provided the information on October 28, 2019; however, it failed to use the revised template. UHC did not provide the information on the correct template until October 30, 2019.

Failure to adhere to the contract requirements cited herein warrants the assessment of a monetary penalty per occurrence per calendar day of non-compliance of \$5,000, as outlined in the contract between UHC and LDH. A total penalty in the amount of \$65,000 will be retained from the next monthly capitation payment made to UHC. This penalty represents \$5,000 for the one-day delay of providing the CLIA configuration response, \$45,000 for the nine days between the date the Notice of Action was sent and the date the abortion claims information was provided, \$5,000 for the one-day delay for the first member outreach deadline, and \$10,000 for the two-day delay for the second member outreach deadline.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Stacy Guidry
Section Chief, Medicaid Program Operations and Compliance

SG/lj

cc: Michael Boutte
Whitney Martinez
Marisa Naquin
Jen Steele
Kim Sullivan
Christina Wilson
File #: UHC2-28